

~~CONFIDENTIAL~~

NSC BRIEFING

21 November 1957

INDONESIA

- I. Indonesian Communist Party emerged from series of provincial and municipal elections in Java (between June and November) as largest party on the island and largest Communist party in free Asia.
 - A. Latest victory was scored on 7 November in Sultanate of Jogjakarta where Communists increased their vote by almost 40% over two years ago and drew nearly twice as many votes as closest rival, the National Party. (Roughly 300,000 to 160,000.)
 - B. Throughout Java, party registered nearly 7 million votes, about 1.5 million votes more than the National Party.
(Total non-Communist vote approximately 14 million.)
- II. Communist strategy undoubtedly aimed at winning the national elections scheduled for 1960, using same peaceful methods which have proved so successful.
 - A. More immediate objective may be to push for replacement of Djuanda cabinet with cabinet of "national unity" in which they would have strong representation.
 - B. They probably also want to increase influence in Indonesian army and non-Javanese areas before attempting to take over government.
- III. However, possibility that Commies will act faster and with more "revolutionary" tactics to gain control of Indonesian government if opportunity presented itself should not be overlooked.

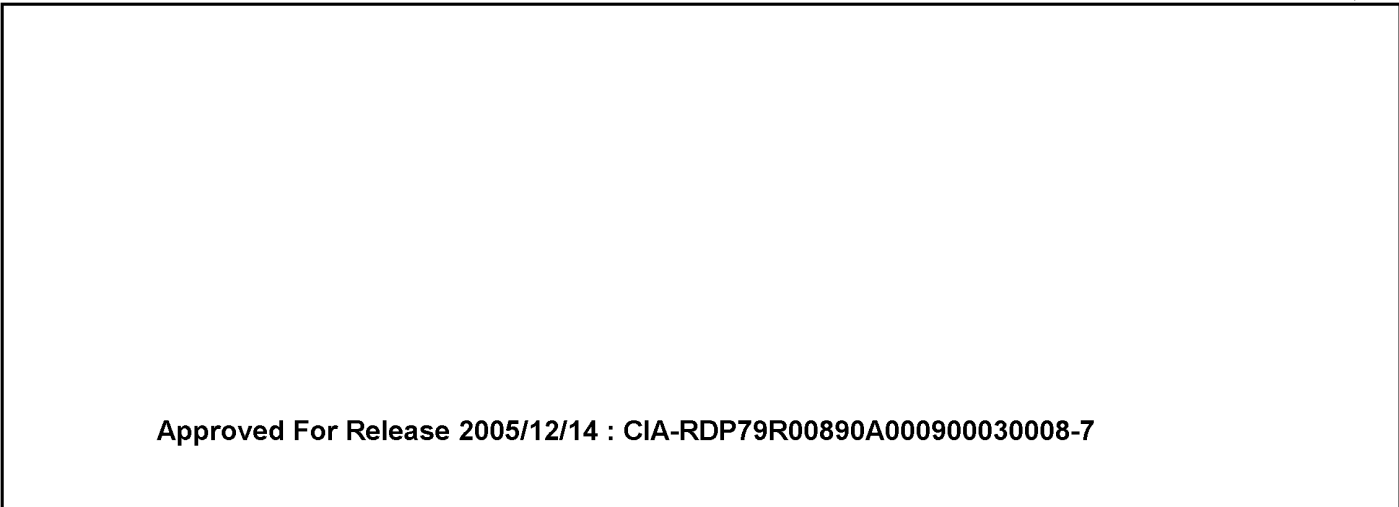
25X1

- A. Party leader D. N. Aidit in 8 November speech stated that party prefers continued use of parliamentary methods but would resort to "other methods" if Communist Party is outlawed as demanded by some Moslem leaders.**



25X1

- IV. Indonesian claim for Netherlands New Guinea now being debated in General Assembly and may get two-thirds vote necessary for their resolution demanding Dutch renew negotiations.**
- V. Shrill government-sponsored anti-Dutch campaign supporting the New Guinea claim has been underway since 27 October.**
- A. Djakarta unlikely attempt invasion of New Guinea, but small guerilla forces may be infiltrated.**
- B. Campaign has gone so far, however, that in order to avert complete loss of face, Indonesian govt probably will have to take some action against Dutch such as nationalizing Dutch business interests or breaking diplomatic relations.**
- C. Sukarno is now reported to have trained his guns on US as supporters of the Dutch and is advocating acceptance of bloc assistance.**



2. First step might be parliamentary ratification of pending \$100 million Soviet technical aid loan.

VI. Second national conference, to be largely limited to economic matters, is scheduled to open 25 November and apparently will be chaired by President Sukarno and former vice president Hatta jointly.

B. Conference promises to be cumbersome with nearly 400 delegates invited, and little progress is expected in restoring good relations between Djakarta and dissident provincial leaders.

CONFIDENTIAL